



EDP — ENERGIAS DE PORTUGAL, S.A.

(incorporated with limited liability in the Portuguese Republic)

and

EDP FINANCE B.V.

*(incorporated with limited liability in The Netherlands
and having its statutory seat in Amsterdam)*

€12,500,000,000

Programme for the Issuance of Debt Instruments

This Supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the prospectus dated 14 September 2012 as supplemented by the supplements dated 9 November 2012 and 14 December 2012 (the "**Base Prospectus**") prepared by EDP — Energias de Portugal, S.A. ("**EDP**") and EDP Finance B.V. ("**EDP B.V.**") in connection with their Programme for the Issuance of Debt Instruments (the "**Programme**") for the issuance of up to €12,500,000,000 in aggregate principal amount of instruments ("**Instruments**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in the United Kingdom, as a base prospectus supplement issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom.

The purpose of this Supplement is to disclose changes to the rates of taxation that apply to taxation on interest, investment income and capital gains obtained on Instruments issued by EDP and EDP B.V. and other amendments to tax law resulting from the introduction of Portuguese Law no. 66-B/2012 of 31 December 2012.

IMPORTANT NOTICES

EDP B.V. as Issuer and EDP in its capacity as Issuer and Keep Well Provider accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of EDP and EDP B.V. (each of which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Instruments issued under the Programme has arisen or been noted, as the case may be, since the publication of the Base Prospectus and the supplements to the Base Prospectus dated 9 November 2012 and 14 December 2012.

SUPPLEMENTS TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in the Base Prospectus shall be amended and/or supplemented in the manner described below.

Taxation – Portugal

The section entitled "Taxation – Portugal" on pages 160-165 of the Base Prospectus is updated as follows.

Following the introduction of Law no. 66-B/2012 of 31 December 2012, from 1 January 2013:

- (i) interest and investment income obtained by Portuguese resident individuals on Instruments issued by EDP B.V. are subject to withholding tax at a rate of 28 per cent. (previously 26.5 per cent.), which is the final tax on that income unless the individual elects for aggregation of his taxable income, subject to tax at progressive rates of up to 56.5 per cent. for the year of 2013 (previously 49 per cent.);
- (ii) interest and investment income obtained by Portuguese resident individuals on Instruments issued by EDP B.V. not received through an entity located in Portugal are subject to autonomous taxation at a rate of 28 per cent. (previously 26.5 per cent.);
- (iii) capital gains obtained by Portuguese resident individuals on the disposal of Instruments issued by EDP B.V. are subject to tax at a rate of 28 per cent. (previously 26.5 per cent.); in this respect, the income tax exemption applicable for the annual positive difference of up to €500 between gains and losses arising from the sale of shares, bonds and other debt securities is abolished;
- (iv) interest and investment income obtained by Portuguese resident individuals on Instruments issued by EDP not integrated in a centralised control system recognised by the Portuguese Securities Code ("*Código dos Valores Mobiliários*") are subject to a withholding tax rate of 28 per cent. (previously 26.5 per cent.), which is the final tax on that income unless the individual elects for aggregation of his taxable income, subject to tax at progressive rates of up to 56.5 per cent. for the year of 2013 (previously 49 per cent.);
- (v) capital gains obtained by individuals (resident and non-resident) on the disposal of Instruments issued by EDP not integrated in a centralised control system recognised by the Portuguese Securities Code ("*Código dos Valores Mobiliários*") are subject to tax at a rate of 28 per cent. (previously 26.5 per cent.); in this respect, the income tax exemption applicable for the annual positive difference of up to €500 between gains and losses arising from the sale of shares, bonds and other debt securities is abolished;
- (vi) interest and investment income obtained by Portuguese non-resident individuals on Instruments issued by EDP not integrated in a centralised control system recognised by the Portuguese Securities Code ("*Código dos Valores Mobiliários*") are subject to a withholding tax rate of 28 per cent. (previously 26.5 per cent.);
- (vii) A state surcharge ("*derrama estadual*") applies to interest and investment income derived from the Instruments issued by EDP or by EDP B.V., capital gains obtained with the transfer of Instruments by EDP or by EDP B.V. and the acquisition of Instruments by EDP or by EDP B.V. through gift or inheritance obtained by legal persons resident for tax purposes in Portugal or a non resident acting through a Portuguese permanent establishment, at 3 per cent. on taxable profits in excess of Euro 1,500,000 and up to Euro 7,500,000 (previously Euro 10,000,000) and at 5 per cent. on taxable profits in excess of Euro 7,500,000 (previously Euro 10,000,000).

In respect of investors in Instruments who are subject to a tax liability as a result of obtaining interest or investment income on the Instruments, the computation of such tax liability will be affected by the amendments summarised above.